

Tennessee Real Estate news-journal

Department of Commerce and Insurance

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Impact Fees or Adequate Facilities Tax

By: Commissioner David Flitcroft

Tennessee Code Annotated 66-5-211 requires that upon the first sale of a dwelling, the owner must disclose to the buyer the amount of any impact fee or adequate facilities taxes paid to any city or county. The purpose of the fee is to provide additional revenues to city or county governments that are overwhelmed by a sudden increase in residential development and with it a sudden demand for more and larger schools, infrastructure, roads, utilities, etc. The fee is imposed as an additional charge to the contractor, added on when the home is completed and of course ultimately passed on to the buyers. Probably the best known county to impose the fee is Williamson County, but Loudon County also has it and it has been or is about to be considered by many other counties. Real estate professionals have a duty to ensure that the proper disclosures are made. If you are not certain whether the county has such a fee, you should inquire with the local trustee and city

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LICENSE ANNIVERSARY Recognition Breakfast

By: Eve Maxwell, TREC Executive Director

Bright and early on October 3, 2007, an exciting inaugural event, the License Anniversary Recognition Breakfast, was unveiled in Knoxville. This event was the brainchild of TREC's Commission Chairman Charles Haynes and endorsed wholeheartedly by his

fellow Commissioners. Rothchild Catering and Conference Center was the location for this Recognition Breakfast, which honored all East Tennessee Real Estate licensees who have been licensed for 40 years or

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Commissioner Adren Greene accepts plaque honoring his 10 years of service to the Commission. From left to right Commissioners Cunningham, Flitcroft, Collins, Greene, Haynes (Chairman), Alexander, Stephenson (Co-Chairman) and Northern.



Tennessee Real Estate Licensees with 40 or more years of licensure who attended the Recognition Breakfast. Also included are representatives from the Mortgage Investors Group.

Information Concerning Errors and Omissions Coverage

Until recently there was a distinct difference between Errors and Omissions (E & O) Insurance offered by the state contracted E & O vendor and other providers of such insurance. That difference was that the state contracted policy was written to the licensee and the alternate insurance providers covered the licensees under an umbrella contract with the firm itself. The state contracted insurance was then attached to the licensee which she/he could carry with him/her as the licensee moved from one company to another. The firm umbrella coverage only worked while the licensee was at the firm which was covered by the umbrella policy. If a licensee moved from an "umbrella" covered firm she/he would either purchase state contracted insurance for the new firm or be covered by another "umbrella" policy at the new firm.

Now there are companies other than the state contracted company which provide E & O Insurance which moves with the licensee as she/he moves from company to company. It is incumbent upon the licensee to know if the E & O coverage they purchase would move with them if they change firm affiliation. Any change in E & O coverage must be reported to the Commission at the time of change.

Impact Fees...cont.

tax office or your real estate attorney.

Commissioner Flitcroft is a practicing attorney in Knoxville, TN and was appointed by Governor Bredesen to serve as a consumer member of the Tennessee Real Estate Commission.

Recognition Breakfast...cont.

more. There were 122 licensees who had reached this phenomenal milestone and 37 of these real estate founding ladies and gentlemen attended the breakfast. History enveloped the room that morning and I believe that we were all a bit awestruck.

Mortgage Investors Group (MIG) sponsored the Recognition Breakfast and Award Ceremony and I know that their staff worked very hard making sure that every detail of the event was perfect. Everyone who attended was impressed with the excellent event and thrilled with the opportunity to participate in this first ever Recognition Breakfast. The delicious breakfast buffet was a great start to this heartwarming ceremony.

Before the Commission honored the attendees, they took a moment to present a beautiful plaque to Adren Greene, a Morristown licensee, who retired from the Real Estate Commission after 10 years of service to the citizens of Tennessee. Mr. Greene was highly respected by all his fellow Commission members and was known for his voice of reason. Mr. Greene was flattered to be honored by his fellow Commissioners, but he was more excited to be surrounded by the 37 honorees who had dedicated so many years of their lives to the real estate industry.

Listening to the stories of these licensees who helped pave the way for us today was truly inspiring. This distinguished group began their careers at a time when there were no computers, no cell phones, no fax machines and no email and they have witnessed a technological evolution take place over the last 40-50 years. Most of these honorees embraced the technological advances and the overall improvements they have brought to the industry. Many tales were told of days when most deals were sealed with a handshake and the real estate community was a small group advertising mainly by word of mouth. There were several women who had been practicing real estate for over 50 years. The tenacity of these women pioneers was truly amazing. These ladies not only worked when very few women worked, they also broke ground in a once predominantly male profession.

The oldest honoree was 90 year old Mr. Gale Willis from Johnson City. Mr. Willis exemplifies the dedication that so many have to the real estate profession. Mr. Willis had gotten someone to drive him to Knoxville so that he could attend the Ceremony and celebrate his 55 plus years of practicing real estate.

The Commission presented each of the 37 honorees in attendance with a beautiful framed certificate and congratulated them individually on their exciting achievement. All of the honorees had an opportunity to say a few words about when they started in the business—this was a very interesting reflection on the past. The honorees, who were unable to attend the Ceremony, were mailed their certificates. It has been heartwarming to me to have so many of those licensees take the time to call to thank us for the certificate and to relate a couple of stories about their early years in the business.

This was such a rewarding experience for the honorees and especially for the Commission and we look forward to the ceremonies honoring the Middle Tennessee licensees in March, 2008 and the West Tennessee licensees in May, 2008. Invitations to these events will be sent in early 2008 to licensees who have been licensed for 40 years or more.

The Commission again thanks Mortgage Investors Group and congratulates the honorees for their dedication and service to the Real Estate industry.

The following is a complete list of all honorees. An asterisk appears next to those in attendance at the breakfast.

Blountville

Bill J. Taylor

Bristol

Sam L. Wilkerson

Charleston

Zane B. Harris, Sr.

Chattanooga

Alice Bell
Barnard P. Robertson
Betty G. Moseley
Bettye I. Harrison *
Carroll D. Groner
Charles B. Lebovitz
Floyd Shipley, Jr.
Gloria Sutton *
Henry T. Childs
Hulett B. Siniard *
James P. Wilson
John M. Martin
Opal B. Privette *
Preston Maddox
Raymond F. Hale, Jr. *
Ross L. Moseley

Cleveland

Billy E. Phillips
Glen E. Ramsey
James D. Hoskins
John P. Lewis
Joseph W. Owenby
K. Lynn Davis
Mamie B. Bacon
Max R. Carroll
Paul H. Bacon

Clinton

Billy D. Martin *
Bobbie B. Sellers *
William A. Wilburn

Dandridge

James J. Wilson
Roger E. Clark

Dayton

Thomas W. Elder

Decatur

Noel R. Walker

Dunlap

James W. Kelly

Elizabethton

Grace Broome *
Horace Broome *
Lawrence M. Range
R.N. Bowers

Gatlinburg

Ronald E. Valentine

Greeneville
Billy R. Williams
Glenn D. Renner *
Jack L. Bryant
John G. Burger
Lloyd S. Saulsbury
Lowell H. Carter
Virginia M. Cutshaw

Harrogate

Rudolph B. Clark

Hixon

Jo Carmin Riggsby

Jacksboro

Bill R. Duncan

Johnson City

Gale Willis *
J.C. Hawk
James E. Brant
John G. Love *
Roland B. Mashburn
William H. Johnson *

Kingsport

Don E. Shepherd
E. Rhea Newland *

Earl Light *

Oliver S. Larkins *

Willis B. Payne

Knoxville

Alan H. Merlin *
Allan S. Houston
Alfred A. Robinson *
Bob Galbreath *
Claude M. Wood *
David L. Alley *
Douglas M. Wylie
Earl H. Wilson
Frank A. McSpadden, Jr.
Frank Ambrister
Frank E. Barnett
Gordon T. Smith
Hop Bailey, Jr.
Jack D. Houston
James A. McNutt
James Rogers
Jay E. Jenkins
Jim Harbin *
Jim Miller
John W. Testerman
Lou P. Steele
Mack N. Southern
Mary B. Corbitt *
Peggy S. Wylie
R. Vance Burkey *
Robert A. Schmid
Robert J. Fletcher
Sandra W. Robinson *
Wade B. Whiteside
Wallace McClure, Jr. *
William R. Keck
Zan Schriver, Jr.

La Follette

Haskel Ayers *
Tom C. Leach

Lookout Mountain

Fletcher Bright
George E. McGee, III
Mary A. Rennick

Madisonville

C.K. Saunders

Maryville

Charles E. Brown
Clara Peals

Morristown

James B. Stiner
John F. McCrary, Jr. *
L.H. Pendleton
Ray D. Hall *

Mosheim

J. Kyle Luttrell *

Mountain City

Berlie A. Barry

Mt. Carmel

Hugh K. Johnson

Oak Ridge

Garrett B. Asher *
Rex R. Gass *

Ooltewaw

Elgin Smith

Powell

Ernest H. Rochat
J.D. Johnson

Sevierville

John B. Waters, Jr.
William E. Barnes

Signal Mountain

Hugh D. Huffaker, Jr.
Sam H. Chester, Jr.

Sweetwater

Joseph W. Houston
Rebecca M. Lee

Townsend

Jerome F. Salomone

Exam Pass Rates - Statistics for Pre-Licensing Schools

The Commission has reviewed the examination pass rates for the Affiliate Examination for the first 9 months of 2007. Listed below are the schools and their pass rates for the Affiliate Examination for first time test takers.

3rd quarter – schools with at least 50 candidates during the quarter

School Name	Number Candidates	National Part Pass (%)	State Part Pass (%)
TREES	485	75	84
CLI	146	74	74
TRECS	89	82	91
Memphis/West TN	52	60	67
Ray Boudier	90	65	80
D and D School of RE	117	77	83
Nashville School of RE	141	69	80

2nd + 3rd quarters – schools with at least 50 candidates during the 6 month period

School Name	Number Candidates	National Part Pass (%)	State Part Pass (%)
GNAR	74	80	84
Success	94	60	69
Professional School/Knoxville	85	82	80
Clarksville School of RE	58	71	79

1st + 2nd + 3rd quarters – schools with at least 50 candidates during the 9 month period

School Name	Number Candidates	National Part Pass (%)	State Part Pass (%)
PRESS	59	80	90

Schools with less than 50 candidates 01-01-07 through 09-30-07

School Name	Number Candidates	National Part Pass (%)	State Part Pass (%)
Cleveland State CC	1	0	0
ETSU	2	50	100
Kingsport Adult Education	4	100	100
U. of Memphis	16	81	75
Motlow State CC	13	54	77
Tennessee Tech	6	50	67
Pellissippi State CC	1	0	100
Southwest TN CC	22	64	64
Nashville State Tech	4	100	80
UT Knoxville	6	100	67
Vol State	30	50	60
Walters State CC	32	69	72
Roane State CC	2	0	50
Jackson State CC	4	25	50
MTSU	6	67	67
Excel R E School	20	95	90
Chattanooga State CC	5	80	60
Home Buying Institute	1	0	100
Columbia State CC	7	71	43
Performance Concepts	3	0	33
Career Institute	32	81	59
RECampus	1	100	100
Career WebSchool	8	75	88
Pro-Schools	4	100	100
Memphis RE School	17	65	47
Career Memphis	35	63	54
Little Red School House of RE	31	87	77
Cumberland University	14	57	71
Fast Track School of RE	7	86	86
Cooke R E School	9	100	100
Real Estate Ed. Institute	16	69	69
Bristol School of RE	7	100	100
Tenn Tech/Oneida	1	100	100

License Renewal Information

Tennessee Real Estate Licenses cannot be renewed earlier than 90 days prior to the expiration date of the license. Please do not try to renew on-line or request a paper renewal application before a date that is 90 days prior to license expiration.

If licenses are not renewed on or before the expiration date of a license, that licensee cannot legally perform any duties which require a license after that expiration date. If all license renewal requirements are met within 60 days of license expiration, that license can be renewed during the

60 day late renewal policy (\$50.00 penalty if renewal payment made in the first 30 days after license expiration and \$100.00 penalty if renewal payment made 31 to 60 days after license expiration).

If the license is not renewed within 60 days of license expiration, the licensee may be able to reinstate that license using the Commission's license reinstatement policy which can be viewed at:

http://state.tn.us/commerce/boards/trec/documents/ReinstatementPolicy_07-001.pdf

— DISCIPLINARY ACTIONS —

AUGUST 2007**ACTION INVESTMENTS, REALTORS****Lic. No. FM213301****Goodlettsville, TN**

Action Investments, Realtors was assessed a civil penalty of \$250.00 for an escrow account violation.

BELLEVUE REALTY, LLC.**Lic. No. FM259679****Nashville, TN**

Bellevue Realty was assessed a civil penalty of \$250.00 for an agency disclosure violation.

BUYERS NETWORK REALTY**Lic. No. FM256355****Brentwood, TN**

Buyers Network Realty was assessed a civil penalty of \$250.00 for an escrow account violation.

VONDE CADEN**Lic. No. BR222693****Nashville, TN**

Ms. Caden was assessed a civil penalty of \$250.00 for an escrow account violation.

CAPSTONE PROPERTIES**Lic. No. FM259320****Nashville, TN**

The firm was assessed a civil penalty of \$250.00 for an escrow account violation.

ELK VALLEY PROPERTIES, INC.**Lic. No. FM258705****Fayetteville, TN**

The firm was assessed a civil penalty of \$250.00 for an escrow account violation.

ERA KEY REALTY**Lic. No. FM258110****Talbot, TN**

The firm was assessed a civil penalty of \$500.00 for an escrow account violation.

LEE GODFREY**Lic. No. BR58537****Jackson, TN**

Mr. Godfrey was assessed a civil penalty of \$250.00 for an advertising violation.

MARILYN GOOD**Lic. No. PB253038****Butler, TN**

Ms. Good was assessed a civil penalty of \$250.00 for an agency disclosure violation.

MAXIE L. JONES**Lic. No. AF265191****Counce, TN**

Ms. Jones was assessed a civil penalty of \$250.00 for failure to respond to a complaint.

KEENELAND PROPERTIES, INC.**Lic. No. FM259310****Kingsport, TN**

The firm was assessed a civil penalty of \$250.00 for an escrow account violation.

MARK S. OAKES**Lic. No. PB258106****Dyersburg, TN**

Mr. Oakes was assessed a civil penalty of \$250.00 for an advertising violation.

PRUDENTIAL MOUNTAIN PROPERTIES**Lic. No. FM259976****Boone, NC**

The firm was assessed a civil penalty of \$250.00 for an agency disclosure violation.

RKB REALTY ADVISORS, INC.**Lic. No. FM256726****Brentwood, TN**

The firm was assessed a civil penalty of \$250.00 for an escrow account violation.

SYCAMORE REAL ESTATE**Lic. No. FM246174****Ashland City, TN**

The firm was assessed a civil penalty of \$250.00 for an escrow account violation.

THE PRUDENTIAL GREG COX REAL ESTATE**Lic. No. FM56952****Johnson City, TN**

The firm was assessed a civil penalty of \$250.00 for an agency disclosure violation.

TOM BUIDA REAL ESTATE SERVICES**Lic. No. FM256365****Brentwood, TN**

The firm was assessed a civil penalty of \$250.00 for an escrow account violation.

V.C.M., Inc.**Lic. No. FM231336****Cordova, TN**

The firm was assessed a civil penalty of \$250.00 for an agency disclosure violation.

SEPTEMBER 2007**GENE E. ADAMS****Lic. No. PB260473****Memphis, TN**

Mr. Adams was assessed a civil penalty of \$1,000.00 for failure to properly supervise affiliates.

KATHRYN "KATHY" F. ADKINS**Lic. No. PB308492****Jackson, MS**

Ms. Adkins was assessed a civil penalty of \$1,000.00 for failure to properly supervise affiliates.

DEBORAH JEAN MAFERA**Lic. No. PB301578****Myakka City, FL**

Disciplinary Actions...cont.

Ms. Mafera was assessed a civil penalty of \$1,000.00 for failure to properly supervise affiliates.

ALICE PUSSEY

Lic. No. AF289212

Selmer, TN

Ms. Pussey was assessed a civil penalty of \$2,000.00 for failure to exercise reasonable skill and care.

JOHN SALMON

Lic. No. AF205608

Martin, TN

Mr. Salmon was assessed a civil penalty of \$500.00 for an advertising violation.

MARYSUE STREET

Lic. No. PB273655

Knoxville, TN

Ms. Street was assessed a civil penalty of \$2,000.00 for failure to properly supervise affiliates.

OCTOBER 2007

WILLIAM Q. ACREE

Lic. No. PB228315

Nashville, TN

Mr. Acree was assessed a civil penalty of \$1,000.00 for failure to properly supervise affiliates.

JOHN F. EUART, Jr.

Lic. No. PB274655

Atlanta, GA

Mr. Euart was assessed a civil penalty of \$1,000.00 for failure to properly supervise affiliates.

GRAND VISION, INC.

Lic. No. FM259010

Blountville, TN

This firm was assessed a civil penalty of \$250.00 for an agency disclosure violation.

REGINALD E. SANDERS

Lic. No. PB220976

Memphis, TN

Mr. Sanders was assessed a civil penalty of \$1,000.00 for failure to properly supervise affiliates.

On-Line License Renewal Process

While the on-line renewal process for real estate licensees has worked successfully for many of you, there have been some instances where individuals have had some difficulty. The major areas of the unsuccessful process concern the license number and the zip code.

The license number is sometimes printed on letters and postcards with leading zeros. If your license number is 222222 it may appear in print as 00222222 or even 0000222222. When the on-line renewal process requests you enter your license number you cannot enter the leading zeros and have the on-line renewal process work. Please enter only the numbers which begin after the leading zeros (if a zero appears in the middle of your license number you will need to enter it.) If your license number appears as 00222022, you will need to enter 222022.

The zip code required to use the on-line renewal process is the zip code associated with your TREC mailing address. If you hold an active real estate license, that zip code will be the one for the firm with which you are affiliated. If your license is inactive or retired, the zip code will be the one associated with your home address.

Both the license number and zip code you should use for the on-line renewal process may be found on the front of the postcard sent to alert you to renew your real estate license. While your license number may be preceded by zeros, those zeros will be preceded by the numbers 2501 or 2502. These numbers denote whether the licensee is a person or a firm. The number 2501 means the licensee is a person and the number 2502 means the licensee is a firm. Neither of these four digit numbers should be entered as part of your license number when renewing your real estate license on-line.

"The Tennessee Department of Commerce and Insurance is committed to principles of equal opportunity, equal access, and affirmative action." Contact the EEO Coordinator or ADA Coordinator (615) 253-7685.



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(615) 741-2273 or (800) 342-4031

www.state.tn.us/commerce/boards/trec

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Administration:

Eve Maxwell
Sharon Peebles

Administrative Assistance

Betsy Bowman
Kelly McDermott
Dee Mitchell

Office Manager:

Dennis Hodges

Board Meetings:

Kelly McDermott

Complaints:

Conell House

Education:

Kathy Riggs

Licensing:

Patricia Appleton
Hester Curtis
Kim Dorris
Gil Dyer
Rachel Fowler
Deborah Malugen
Karen Patton
Ruby Perry
Richard Thomas
Paula VanBuren

Reception & Records Management:

Ken Spurlock
Linda Wolfert
Pam Lewis

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Department of Commerce and Insurance

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